

STATE OF SOUTH CAROLINA)
COUNTY OF MCCORMICK)

AFFIDAVIT OF CONSIDERATION

I, the undersigned W. Kenneth Martin, being duly sworn, state under oath that I have personal knowledge of the consideration given for that certain Exploration and Mining Lease between Brunswick Pulp Land Company as Brunswick and Amselco Minerals Inc. as Amselco dated November 20, 1987, covering certain real property in McCormick County, South Carolina, and that the consideration paid for the initial term of said Exploration and Mining Lease is ten thousand and no/100 dollars (\$10,000.00).

W. Kenneth Martin

Sworn to and subscribed before me
this 21st day of December, 1987.

Core F. Webster
Notary Public for SOUTH CAROLINA

My Commission Expires: My Commission Expires December 6, 1993

STATE OF SOUTH CAROLINA
COUNTY OF MCCORMICK

Filed for record DEC 28 1987

A.D. 19 at 10:45 a.m. at
and duly recorded in Book 83
of Deeds 89

Edith N. Harris
Clerk of Court

Exhibits
R M C



MEMORANDUM OF EXPLORATION AND MINING LEASE

NOTICE IS HEREBY GIVEN that SCOTT TIMBER COMPANY, a Delaware corporation, duly qualified to conduct business in the State of South Carolina (hereinafter referred to as "Scott") and MEAD TIMBER COMPANY, a Delaware corporation, duly qualified to conduct business in the State of South Carolina (hereinafter referred to as "Mead"), Mead and Scott conducting business in the State of Georgia in the name and style of BRUNSWICK PULP LAND COMPANY, whose address is Post Office Box 860, Brunswick, Georgia, 31521 all of which are hereinafter collectively referred to as "Brunswick;" and AMSELCO MINERALS INC., a Delaware corporation whose address is 999 Eighteenth Street, Suite 1201, Denver, Colorado, 80202 (therein and hereinafter referred to as "Amselco"), have entered into an Exploration and Mining Lease ("hereinafter referred to as "Lease"), effective as of the 20th day of November, 1987, with respect to the real property described in Appendix 1 attached hereto and by this reference made a part hereof, which real property is therein and hereinafter referred to as the "Leased Property." The total acreage of the Leased Property shall be deemed to be eight hundred and thirty-seven and 29/100ths (837.29) acres until such time as Amselco may reduce its holdings of the Leased Property pursuant to the Lease or until such time as a more accurate survey of the Leased Property shall disclose a greater or lesser acreage constituting the Leased Property hereby leased.

Under the terms of the Lease, Brunswick has granted, demised, leased and let exclusively to Amselco and its successors and assigns, all ores, minerals and mineral products containing metals

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and excepting only coal, lignite, peat, oil, gas and all other solid, liquid and gaseous hydrocarbons and geothermal steam and associated resources, including heat, upon, within or beneath the Leased Property. The above-described ores, metals, minerals and mineral products subject to this Lease are hereinafter referred to as the "Subject Minerals." Said terms include all mineral rights and water rights for the purposes of exploration, development and mining of Subject Minerals.

The term of the Lease is for a primary period of five (5) years from the effective date of the Lease and so long thereafter as Amselco continues to make certain payments to Brunswick, as more specifically set forth in the Lease. Any assignment of interest under the Lease shall be made expressly subject to the Lease and shall require the assignee to assume and agree in writing to perform all of the obligations of the assignor under the Lease as relate to the interest assigned. In case of assignment by mortgage, however, such assumption of obligations shall not be required, but should such mortgage be foreclosed, the purchaser on foreclosure shall take subject to the Lease. No assignment shall be effective as between the parties until delivery to the non-assigning party of satisfactory evidence of such assignment. The provisions of the Lease shall inure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators, personal representatives, beneficiaries, successors and assigns.

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The Lease is incorporated herein by this reference and made a part hereof. Copies of the Lease are in the possession of the parties at the addresses shown on the first page of this Memorandum.

IN WITNESS WHEREOF, this MEMORANDUM OF EXPLORATION AND MINING LEASE has been executed under seal this 8th day of December, 1987.

BRUNSWICK PULP LAND COMPANY

By: _____

SCOTT TIMBER COMPANY

By: Edward B. Burt *EBB*

Employer ID#: _____

Attest: James M. Kielecki
Assistant Secretary

"Scott"

and by:

MEAD TIMBER COMPANY

By: Jim Mues
VICE PRESIDENT

Employer ID#: _____

Attest: [Signature]
Secretary

"Mead"

Collectively: "Brunswick"

AMSELCO MINERALS INC.

By: A. P. Taylor
General Manager, Exploration

"Amselco"

STATE OF Pennsylvania)
COUNTY OF Delaware) ss. PROBATE

PERSONALLY APPEARED before me Sandra L. Walls,
who, being duly sworn, states that (s)he saw the corporate seal of
Scott Timber Company affixed to the foregoing instrument and that
(s)he also saw Edward B. Betty, the President
and Henry M. Kiskadee, the Asst. Secretary
of said corporation, sign and attest the same and that (s)he with
witnessed the execution and delivery
thereof as the act and deed of said corporation.

Sworn to before me this 16 day of December, 1987

Sophie E. McGowan
Notary Public for Pennsylvania

My SOPHIE E. MCGOWAN, NOTARY PUBLIC:
TOWNSHIP, DELAWARE COUNTY
MY COMMISSION EXPIRES MARCH 6, 1990
Member, Pennsylvania Association of Notaries

STATE OF Ohio)
COUNTY OF Montgomery) ss. PROBATE

PERSONALLY APPEARED before me Bilita Brown,
who, being duly sworn, states that (s)he saw the corporate seal of
Mead Timber Company affixed to the foregoing instrument and that
(s)he also saw John L. Gies, the Vice-President
and J. E. Hitter, the Assistant Secretary
of said corporation, sign and attest the same and that (s)he with
witnessed the execution and delivery
thereof as the act and deed of said corporation.

Sworn to before me this 22nd day of December, 1987

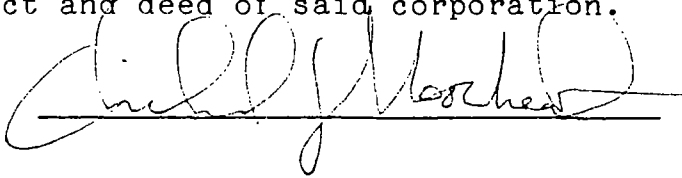
Stephen M. Becht
Notary Public for Ohio

My Commission Expires:

STEPHEN M. BECHT, Attorney at Law
Notary Public, State of Ohio
My Commission has no expiration date
Section 147.03 O. R. C.

STATE OF NEVADA)
) ss. PROBATE
COUNTY OF WASHOE)

PERSONALLY APPEARED before me, R.J. MOORHEAD, who being duly sworn, states that he saw the corporate seal of Amselco Minerals Inc. affixed to the foregoing instrument and that he also saw A.P. TAYLOR, the General Manager, Exploration, sign the same and that he, with ADRIANNE ROA witnessed the execution and delivery thereof as the act and deed of said corporation.



Sworn to before me this
8th day of December, 1987

Adriane H. Ferris
Notary Public for Washoe County, Nevada

My Commission Expires:
March-10, 1990

STATE OF NEVADA
COUNTY OF MCGONICK
Filed for record DEC 28 1987
A.D. 19 AT 10:45 a.m.
and duly recorded in Book 82
Deeds page 89
Edith R. Harris
Notary Public

APPENDIX 1

To Memorandum of Exploration and Mining Lease Between
Brunswick Pulp Land Company and Amselco Minerals Inc.

Dated: _____

DESCRIPTION OF PREMISES

Appendix 1 for the purpose of this Memorandum of Exploration and Mining Lease includes four parcels of land totalling 837.29 acres.

Parcel No. 1

All that piece, parcel, or tract of land situate, lying, and being in the County of McCormick, State of South Carolina, containing 308.64 acres, more or less, being bounded as follows: on the North by lands of Continental Augusta Woodlands, Charlie Edmunds, and S. L. and G. J. Sanders, Sr.; on the South by lands of Rainsford, the United States Forest Service, and Catawba Timber Company; on the East by lands now or formerly of Gary Jennings Dorn, Sr., and Catawba Timber Company; and on the West by lands of the United States Army Corps of Engineers and Palmetto Production Credit Association. For a more particular description of said tract, reference is made to a plat recorded in the Office of the Clerk of Court for McCormick County, South Carolina, in Plat Book 7, Page 35. This parcel is designated as Tract No. McC-2-29 as described on Exhibit A on two deeds dated December 31, 1973, between Brunswick Pulp and Paper Company as Grantor and Mead Timber Company and Scott Timber Company as Grantees, recorded in Deed Book 34, Pages 244-245, in the Office of the Clerk of Court for McCormick County, South Carolina. ✓

Parcel No. 2

All that piece, parcel, or tract of land situate, lying, and being in the County of McCormick, State of South Carolina, containing 88.05 acres, more or less, being bounded as follows: on the North by lands of Rainsford and Catawba Timber Company; on the South by lands of W. J. Bruce and M. R. Coulter; on the East by lands of C. D. and C. S. Wilkie; and on the West by County Road S-33-44. For a more particular description of said tract, reference is made to a plat recorded in the Office of the Clerk of Court for McCormick County, South Carolina, in Plat Book 7, Page 37. This parcel is designated as Tract No. McC-2-31 as described on Exhibit A on two deeds dated December 31, 1973, between Brunswick Pulp and Paper Company as Grantor and Mead Timber Company and Scott Timber Company as Grantees, recorded in Deed Book 34, Pages 244-245, in the Office of the Clerk of Court for McCormick County, South Carolina.

Parcel No. 3

All that piece, parcel, or tract of land situate, lying, and being in the County of McCormick, State of South Carolina, containing 94.54 acres, more or less, being bounded as follows: on the North and East by lands of the United States Forest Service; on the Northwest by lands of Betty W. Dorn (et al.); and on the South and Southwest by lands of the United States Army Corps of Engineers. For a more particular description of said tract, reference is made to a plat recorded in the Office of the Clerk of Court for McCormick County, South Carolina, in Plat Book 7, Page 38. This parcel is designated as Tract No. McC-2-32 as described on Exhibit A on two deeds dated December 31, 1973, between Brunswick Pulp and Paper Company as Grantor and Mead Timber Company and Scott Timber Company as Grantees, recorded in Deed Book 34, Pages 244-245, in the Office of the Clerk of Court for McCormick County, South Carolina.

Parcel No. 4

All that piece, parcel, or tract of land situate, lying, and being in the County of McCormick, State of South Carolina, containing 346.06 acres, more or less, being bounded as follows: on the North by lands of McCormick Investment Company; on the South by lands of Virginia M. Dorn and Continental Augusta Woodlands; on the East by lands of Newby, Town of McCormick, James Dorn Estate, and E. R. Bentley Subdivision; and on the West by lands of Continental Augusta Woodlands, Lee Burch, and lands of Maurice White and Joe Luke. This parcel is located less than 1 mile south of the town of McCormick and is situated between South Carolina Highway 28 to the east and U. S. Highway 378 to the west. For a more particular description of said tract, reference is made to a plat recorded in the Office of the Clerk of Court for McCormick County, South Carolina, in Plat Book 7, Page 36. This parcel is designated as Tract No. McC-2-30 as described in Exhibit A on two deeds dated December 31, 1973, between Brunswick Pulp and Paper Company as Grantor and Mead Timber Company and Scott Timber Company as Grantees, recorded in Deed Book 34, Pages 244-245, in the Office of the Clerk of Court for McCormick County, South Carolina.